

421 West Main Street
Post Office Box 634
Frankfort, KY 40602-0634
15021 223-3477
15021 223-4124 Fax
www.stites.com

RECEIVED

JUN 30 2006

PUBLIC SERVICE
COMMISSION

Mark R. Overstreet
(502) 209-1219
(502) 223-4387 FAX
moverstreet@stites.com

June 29, 2006

HAND DELIVERED

Beth O' Donnell
Executive Director
Public Service Commission
211 Sower Boulevard
Frankfort, KY 40601-8294

RE: P.S.C. Case No. 2006-00198

Dear Ms. O'Donnell:

This correspondence is a reply to Mountain Telephone's letter of June 27, 2006 in response to Kentucky Alltel's proposed procedural schedule.

As a general statement, Kentucky Alltel believes the most productive action is to submit the matter to the Commission for a ruling on Mountain Telephone's motion for summary judgment and proceed with establishment of a procedural schedule. Kentucky Alltel's prior Response to the motion for summary judgment set forth that there remain facts in dispute,¹ and therefore, Kentucky Alltel believes that its prior Response is sufficient to address Mountain Telephone's continuing assertions.

Additionally, Kentucky Alltel deems it necessary to address a few of the inaccurate statements in Mountain Telephone's latest filing. For instance, Mountain Telephone states that "[n]o amount of discovery will change the fact that Alltel is not paying Mountain Telephone's tariffed switched access service charges, and this is the basis of Mountain Telephone's motion for summary judgment." Mountain Telephone misses the point. As Kentucky Alltel set out in its Response to Mountain Telephone's motion for summary judgment, there is a very real and genuine issue of material fact as to whether the tariff for switched access service is even applicable.

¹ That there remain facts in dispute is also evidenced by Mountain Telephone's own filing on June 26, 2006. For instance, Mountain Telephone's itemization attached to the letter notes that detail of an \$18,016.43 adjustment was reflected on Mountain Telephone's December 2005 CABs bill to Kentucky Alltel. However, the December 2005 CABs bill (attached hereto) shows clearly that the adjustment was not reflected. Whether the charges reflected on the itemization are indeed undisputed or disputed and how they relate to the allegations in Mountain Telephone's Complaint also remain in controversy.

Beth O' Donnell

June 29, 2006

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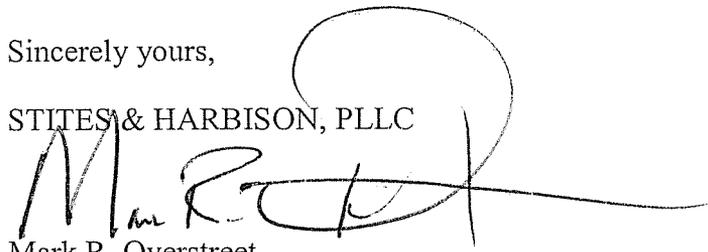
Mountain Telephone also suggests that Kentucky Alltel's request for discovery is an "attempt to harass Mountain Telephone...." As Kentucky Alltel made clear at the parties' informal conferences in this matter, Kentucky Alltel has no intention of issuing voluminous or burdensome discovery. Instead, Kentucky Alltel merely seeks exchange of records and similar information common in traffic disputes of this nature. Indeed, it is the same sort of information that would be exchanged by the parties if they were in negotiations to settle the dispute outside of a formal complaint before the Commission. Moreover, far from lacking any support in the record as Mountain Telephone claims, Kentucky Alltel's request is directly related to Mountain Telephone's claims and Kentucky Alltel's Response to Mountain Telephone's Motion for Summary Judgment. Discovery is a routine matter in many Commission complaint cases and, other than hyperbole, Mountain Telephone has not demonstrated any reason why the Commission should treat this case differently.

Finally, Kentucky Alltel suggested July 10, 2006 as the date for service of the initial round of data requests as means of giving the Commission time to address the pending motion for summary while also anticipating that Mountain Telephone would complain that any later date would be simply a means of delaying the case. Now, however, Mountain Telephone indicates in its June 27, 2006 letter that discovery should not begin until a later time. As I stated in my letter of June 26, 2006, Kentucky Alltel's proposed schedule was simply that – a proposal – and Kentucky Alltel is more than willing to be flexible. Accordingly, Kentucky Alltel agrees that discovery need not begin until after the Commission issues a decision with respect to Mountain Telephone's motion.

Please do not hesitate to contact me if you have any questions.

Sincerely yours,

STITES & HARBISON, PLLC



Mark R. Overstreet

cc: Amy E. Dougherty
John E. Selent
Holly C. Wallace

CO: MOUNTAIN RURAL TELEPHONE
P.O.BOX 399
WEST LIBERTY, KY 41472
CO CODE: 0414
PERIOD COVERED: 12/01/05-12/31/05

ALLTEL INTERLATA GROUP 666

STATE: KENTUCKY
INVOICE NO: 12
BILL DATE: 2005-12-01
PAGE 1
ACCOUNT:

(CONTACT)
ALICIA WALTER 606-743-3121 **** SPECIAL ACCESS SERVICE ****

CIRCUIT NO- 1

IXC CKT ID: WLBTKYXA01T-666S 00
USER: DIRECT TRUNK TRANSPORT STATE

PIU: 1.00
SERVICE:

FEATURES/FUNCTIONS	QTY	RATE	BP	PIU	AMOUNT	NON RECURRING	PRO RATED
DIRECT TRUNK TRANS FAC/DS1-ST	382.5	19.14	.90	100	6,588.95		
DIRECT TRUNK TRANS TERM/DS1-ST	7.5	94.38		100	707.85		
Totals Per Circuit:					7,296.80		

Amount Subject to State Tax: 7,296.80
State Tax Applied: 437.80



CO: MOUNTAIN RURAL TELEPHONE
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ALLTEL INTERLATA GROUP

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PAGE 2
ACCOUNT:

(CONTACT)
ALICIA WALTER 606-743-3121 **** SPECIAL ACCESS SERVICE ****

Number of Interstate Circuits:	1	
Number of Intrastate Circuits:		----
Total Circuits:	1	**
Interstate Recurring Charges:		
Intrastate Recurring Charges:	7,296.80	
Total Recurring Charges:	7,296.80	**
Interstate Pro-Rated Charges:		
Intrastate Pro-Rated Charges:		-----
Total Pro Rated Charges:		**
Interstate Non-Recurring Charges:		
Intrastate Non-Recurring Charges:		-----
Total Non-Recurring Charges:		**
Interstate Other Charges:		
Intrastate Other Charges:		-----
Total Other Charges:		**
State Tax:	437.80	**
Total Current Charges:	7,734.60	***

*** This bill does not reflect any outstanding balances.

COMMENTS:

CO: MOUNTAIN RURAL TELEPHONE
P.O. BOX 399
WEST LIBERTY, KY 41472
CO CODE: 0414
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ALLTEL INTERLATA GROUP 666

STATE: KENTUCKY
INVOICE NO: 12
BILL DATE: 2005-12-01
PAGE 3
ACCOUNT:

(CONTACT)
ALICIA WALTER 606-743-3121 **** SPECIAL ACCESS SERVICE ****

Total Recurring Charges	7,296.80
Total Pro-Rated Charges	
Total Non-Recurring Charges	
Other Charges and Credits (see comments)	
State Tax Applied:	437.80
Total Amount Due by ** 01/01/06 **	7,734.60 **

** PLEASE RETURN THIS PORTION WITH PAYMENT **